

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code section 249A.4 and 2011 Iowa Acts, Senate File 482, section 13(4), the Department of Human Services amends Chapter 75, “Conditions of Eligibility,” Iowa Administrative Code.

One of the factors that precludes Medicaid eligibility is residence in a public institution, such as a jail or prison. 2011 Iowa Acts, Senate File 482, mandates suspension rather than cancellation of Medicaid eligibility when a person who is either elderly or disabled enters a public institution. This amendment sets the procedural requirements for that policy change. The expectation is that suspension of eligibility will allow for a streamlined process of reopening a person’s Medicaid case when the person leaves the institution.

Notice of Intended Action on this amendment was published in the Iowa Administrative Bulletin on October 19, 2011, as **ARC 9804B**. The Department received one comment on the Notice of Intended Action, from the Department of Corrections, which concerned forms and form completion. The Department has determined that no new forms will be necessary. The Department also received feedback from the Centers for Medicare and Medicaid Services stating that it is not permissible under federal Medicaid regulations to apply suspension only to SSI-related Medicaid eligibility.

In response to these comments, the Department has made the following changes to the amendment as published under Notice of Intended Action:

- Deleted subparagraphs (1) and (2) from paragraph 75.12(1)“c.” The person may have been eligible for Medicaid on any basis before entering a public institution.
- Changed the wording of paragraph 75.12(1)“d” to “The person is eligible for medical assistance as an individual except for institutional status.” The effect of adding “as an individual” is that a person who is not elderly or disabled may qualify for suspension only if the person is a pregnant woman or is under the age of 21. Adults who qualify for Medicaid only as part of a household with children will not have their benefits suspended, because the adults are no longer eligible for Medicaid while living apart from the children.
- Removed a reference to Form 470-5045 in subrule 75.12(3) and added new paragraph “a” to indicate the Department will be notified of a person’s release and added new paragraph “b” as follows:
“b. All information available to the department indicates that the person is currently eligible for Iowa Medicaid as an individual.”

A complete summary of the comments and the Department’s responses is available on the Department’s Web site at: <http://www.dhs.iowa.gov/policyanalysis/RulesPages/phcomm.htm>.

The Council on Human Services adopted this amendment on December 14, 2011.

The Department finds that this amendment confers a benefit on Medicaid members who are in a public institution for less than 12 months by removing the requirement to file a new application to regain eligibility for Medicaid. Therefore, this amendment is filed pursuant to Iowa Code section 17A.5(2)“b”(2), and the normal effective date of the amendment is waived.

This amendment does not provide for waivers in specified situations because it confers a benefit and is mandated by the General Assembly. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

This amendment is intended to implement Iowa Code section 249A.3 and 2011 Iowa Acts, Senate File 482, division IX.

This amendment became effective on January 1, 2012.

The following amendment is adopted.

Amend rule 441—75.12(249A) as follows:

441—75.12(249A) Inmates of public institutions. A person is not eligible for medical assistance for any care or services received while the person is an inmate of a public institution. For the purpose of this rule, ~~the phrase~~ “inmate of a public institution” and “public institution” ~~is~~ are defined by 42 CFR Section ~~435.1009, 435.1010~~ as amended ~~on November 10, 1994~~ to August 25, 2011.

75.12(1) Suspension. Medical assistance shall be suspended, rather than canceled, for the first 12 continuous calendar months that a person is an inmate of a public institution if all of the following conditions are met:

a. The department is notified of the person’s entry into the public institution through either:

(1) A monthly report which is provided to the department by the public institution and includes the person’s name, date of birth, and social security number and the date the person entered the institution; or

(2) Other verified notice received by the department.

b. The person has entered a public institution on or after January 1, 2012, and has been in the public institution for 30 days or more.

c. On the date of entry into the public institution, the person was a Medicaid member.

d. The person is eligible for medical assistance as an individual except for institutional status.

75.12(2) Coverage during suspension. While medical assistance is suspended, payment will be made only for services received while the person is not an inmate of a public institution.

75.12(3) Reinstatement. The Medicaid case for an inmate who is released from a public institution while Medicaid is suspended will be reopened without an application if both of the following conditions are met:

a. The department is notified of the person’s release from the public institution through either:

(1) A monthly report which is provided to the department by the public institution and includes the person’s name, date of birth, and social security number and the date the person was released from the institution; or

(2) Other verified notice received by the department.

b. All information available to the department indicates that the person is currently eligible for Iowa Medicaid as an individual.

This rule is intended to implement Iowa Code section 249A.3 and 2011 Iowa Acts, Senate File 482, division IX.

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